

Geological Report

DK Operating, Inc.
Sharon #2-24
2279' FSL & 1003' FWL
Sec. 24 T23s R23w
Hodgeman County, Kansas



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KGS LIBRARY

DK Operating, Inc.

15-083-21867

24-233-23w

General Data

Well Data:	DK Operating, Inc. Sharon #2-24 2279' FSL & 1003' FWL Sec. 24 T23s R23w Hodgeman County, Kansas API # 15-083-21867-0000
Drilling Contractor:	Val Energy, Inc. Rig #1
Geologist:	Jason T Alm
Spud Date:	December 13, 2012
Completion Date:	December 22, 2012
Elevation:	2390' Ground Level 2400' Kelly Bushing
Directions:	Hanston KS, 4.5 mi. West on Hwy 156 to NW 224 Rd. 5 mi. South to L Rd. West ½ mi. North and West into location.
Casing:	240' 8 5/8" surface casing
Samples:	10' wet and dry, 4300' to RTD
Drilling Time:	3800' to RTD
Electric Logs:	None
Drillstem Tests:	Two, Trilobite Testing, Inc. "Jeff Brown, Cody Bloedorn"
Problems:	None
Remarks:	None

Formation Tops

Formation

Anhydrite	1508', +892
Base	1549', +851
Heebner	3929', -1529
Lansing	3999', -1599
Stark	4260', -1860
BKc	4371', -1971
Marmaton	4391', -1991
Pawnee	4480', -2080
Fort Scott	4533', -2133
Cherokee	4556', -2156
Mississippian	4627', -2227
Osage	4668', -2268
RTD	4682', -2282

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Sample Zone Descriptions

Miss. Warsaw

(4627', -2227): Covered in DST #1,2

Dolo – Fine to medium crystalline with poor to fair vuggy and inter-crystalline porosity, light to fair oil stain in porosity, slight show of free oil, good odor, light yellow fluorescents.

Miss. Osage

(4668', -2268): Covered in DST #2

Δ – Mottled, fresh, angular, few pieces with scattered pinpoint vuggy porosity, barren, no fluorescents, no odor.

Drill Stem Tests
Trilobite Testing Inc.
"Jeff Brown, Cody Bloodorn"

DST #1

Mississippian Warsaw

Interval (4573' – 4655') Anchor Length 82'

IHP	– 2263 #	
IFP	– 30" – Built to ½ in.	70-64 #
ISI	– 30" – Dead	560 #
FFP	– 30" – Dead	74-68 #
FHP	– 2257 #	
BHT	– 115°F	

Recovery: 30' SOCM

DST #2

Mississippian Warsaw, Osage

Interval (4655' – 4672') Anchor Length 17'

IHP	– 2283 #	
IFP	– 45" – Built to 1 ½ in.	16-22 #
ISI	– 45" – Dead	1176#
FFP	– 45" – Dead	21-29 #
FSI	– 45" – Dead	873 #
FHP	– 2203 #	
BHT	– 116°F	

Recovery: 20' SOCWM 2% Oil, 2% Water

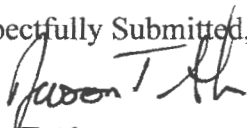
Structural Comparison

	DK Operating, Inc. Sharon #2-24 Sec. 24 T23s R23w 2279' FSL & 1003' FWL	Pickrell Drilling Co. Law A #1 Sec. 24 T23s R23w C NW SE		DK Operating, Inc. Sharon #1-24 Sec. 24 T23s R23w 1020' FSL & 850' FEL	
Formation					
Anhydrite	1508', +892	1478', +892	FL	1470', +906	(-14)
Base	1549', +851	NA	NA	1511', +865	(-14)
Heebner	3929', -1529	NA	NA	3887', -1511	(-18)
Lansing	3999', -1599	3971', -1601	(+2)	3955', -1579	(-20)
Stark	4260', -1860	NA	NA	4216', -1840	(-20)
BKc	4371', -1971	NA	NA	4321', -1945	(-26)
Marmaton	4391', -1991	4358', -1988	(-3)	4340', -1964	(-27)
Pawnee	4480', -2080	NA	NA	4437', -2061	(-19)
Fort Scott	4533', -2133	4504', -2134	(+1)	4484', -2108	(-25)
Cherokee	4556', -2156	NA	NA	4508', -2132	(-24)
Mississippian	4627', -2227	4591', -2221	(-6)	4564', -2188	(-39)
Osage	4668', -2268	4628', -2258	(-10)	4598', -2222	(-46)

Summary

The location for the Sharon #2-24 well was found via 3-D seismic survey. The new well ran structurally lower than expected via the survey. Two drill stem tests were conducted both of which were negative. After all gathered data had been examined the decision was made to plug and abandon the Sharon #2-24 well.

Respectfully Submitted,



Jason T Alm
Hard Rock Consulting, Inc.